



Solicitation Information
August 29, 2016

RFP# 7550918

TITLE: Medical Marijuana Program and Hemp Growth Act Tracking Solution

Submission Deadline: September 19, 2016 at 10:30 AM (Eastern Time)

PRE-BID/ PROPOSAL CONFERENCE: No

Questions concerning this solicitation must be received by the Division of Purchases at david.francis@purchasing.ri.gov no later than **September 6, 2016 at 10:00 AM (ET)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP# on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: No

BOND REQUIRED: No

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Interdepartmental Project Manager

Applicants must register on-line at the State Purchasing Website at www.purchasing.ri.gov

Note to Applicants:

Offers received without the entire completed three-page RIVIP Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

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SECTION 1: INTRODUCTION

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Rhode Island Department of Business Regulation (“DBR”) and the Rhode Island Department of Health (“DOH” and, together with DBR, collectively, the “Departments”), is soliciting proposals from qualified firms to provide a cloud-hosted Tracking Software Solution (the “Solution”) and support services (the “Services”) for the State of Rhode Island’s Medical Marijuana Program, in accordance with the terms of this Request for Proposals and the State’s General Conditions of Purchase, which may be obtained at the Rhode Island Division of Purchases Home Page by Internet at www.purchasing.ri.gov. The Solution and Services will also be used by DBR in connection with licensed Industrial Hemp Cultivation.

The initial contract period will begin approximately October 14, 2016 for a period of two years. At the State’s sole option, contracts may be renewed for up to four additional 12-month periods based upon vendor performance and the availability of funds. In order to meet certain statutory requirements under the Program, the Solution must be in full production by December 31, 2016.

This is a Request for Proposals, not an Invitation for Bid. Responses will be evaluated on the basis of the relative merits of the proposal, in addition to price; there will be no public opening and reading of responses received by the Division of Purchases pursuant to this Request, other than to name those offerors who have submitted proposals.

INSTRUCTIONS AND NOTIFICATIONS TO OFFERORS:

1. Potential vendors are advised to review all sections of this RFP carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
2. Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this RFP will be rejected as being non-responsive.
3. All costs associated with developing or submitting a proposal in response to this RFP, or to provide oral or written clarification of its content shall be borne by the vendor. The State assumes no responsibility for these costs.
4. Proposals are considered to be irrevocable for a period of not less than 60 days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
5. All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
6. Proposals misdirected to other state locations, or which are otherwise not present in the Division of Purchases at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division of Purchases.
7. It is intended that an award pursuant to this RFP will be made to a prime vendor, or prime vendors in the various categories, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is clearly indicated in the vendor’s proposal and the subcontractor(s) to be used is identified in the proposal.

8. All proposals should include the vendor's FEIN or Social Security number as evidenced by a W9, downloadable from the Division's website at www.purchasing.ri.gov.
9. The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.
10. Vendors are advised that all materials submitted to the State for consideration in response to this RFP may be considered to be Public Records as defined in Title 38, Chapter 2 of the General Laws of Rhode Island, and may be released for inspection immediately upon request once an award has been made.
11. Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.
12. Equal Employment Opportunity (G.L. 1956 § 28-5.1-1, et seq.) – § 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where State dollars are spent, in employment, public services, grants and financial assistance, and in state licensing and regulation.
13. In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful vendor(s).
14. The vendor should be aware of the State's Minority Business Enterprise (MBE) requirements, which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information visit the website www.mbe.ri.gov.
15. Under the Health Insurance Portability and Accountability Act ("HIPAA"), a "business associate" is a person or entity, other than a member of the workforce of a HIPAA covered entity, who performs functions or activities on behalf of, or provides certain services to, a HIPAA covered entity that involves access by the business associate to HIPAA protected health information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits HIPAA protected health information on behalf of another business associate. The HIPAA rules generally require that HIPAA covered entities and business associates enter into contracts with their business associates to ensure that the business associates will appropriately safeguard HIPAA protected health information. Therefore, if a contractor qualifies as a business associate, it will be required to sign a HIPAA business associate agreement.

SECTION 2: BACKGROUND AND PURPOSE

Authority

Medical Marijuana Program History

In 2006, Rhode Island passed the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, R.I. General Laws Section 21-28.6-1 *et seq.*, allowing for the medical use of marijuana. It created a program administered by the Rhode Island Department of Health in which qualifying patients could register to legally grow, possess and use medical marijuana to treat their registered condition. The program also created a “caregiver” registration for people to provide medical marijuana to patients who were unable to grow for themselves. The Act required that patients be registered with their caregiver and set in place limits on the number of patients a caregiver may be registered with and the amount of usable marijuana and marijuana plants a patient or caregiver may possess.

The Act was later amended to allow for multiple patients or caregivers to grow together in “cooperative cultivations” and to allow three non-profit medical marijuana dispensaries known as “Compassion Centers” to begin the retail sale of medical marijuana. Patients and caregivers were allowed to sell their overages to compassion centers, however, no testing or labeling regulations were promulgated to ensure product safety and consistency. No oversight mechanisms were put in place to ensure that patients and caregivers comply with the limits of the law. Program participants grew rapidly from 3,069 patients and 1,948 caregivers in 2010 to 14,720 patients and 2,893 caregivers in 2016. Little oversight and no proactive enforcement spurred illegal growing operations and diversion to the grey and black markets. Governor Gina Raimondo’s FY17 budget included Article 14 to establish a new regulatory structure that allows for the oversight over all suppliers of medical marijuana while ensuring both safety and patient access.

Article 14

Rhode Island Public Laws 2016, ch. 142, Article 14 (“Article 14”) made many changes to the Act, the most significant of which are: (i) requiring every marijuana plant to be tagged and registered with the Department of Business Regulation, (ii) adding a new “authorized purchaser” registration, (iii) adding a new “cultivator license”, (iv) licensing cooperative cultivations, and (v) authorizing the promulgation of new regulations for medical marijuana testing, labeling, and portion equivalency. Article 14 can be found at the following URL: <http://webserver.rilin.state.ri.us/PublicLaws/law16/law16142-14.htm>.

Effective July 1, 2016, pursuant to The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, as amended by Article 14 and the regulations promulgated thereunder (as so amended, the “Act”), the Departments have regulatory authority with respect to the State’s Medical Marijuana Program. This authority includes processing applications for qualifying patient, primary caregiver and authorized purchaser registrations, compassion center, cooperative cultivation and cultivator licenses and renewals; sale, issuance and verification of medical marijuana plant tags; oversight and inspections of compassion centers, cultivator and cooperative licensee operations and premises, including the use of seed to sale and point of sale tracking systems. The Departments are also authorized to promulgate regulations to ensure proper testing and labeling of medical marijuana, to administer a full seed to sale and point of sale database system and to undertake regulatory enforcement. DOH has primary responsibility for the registration and oversight of qualifying patients, primary caregivers and authorized purchasers as well as responsibility over all medical marijuana testing and portion regulations. DBR has licensing and regulatory authority with respect to cooperative cultivations, cultivators and, effective January 1, 2017, compassion centers, and the purchase of medical marijuana growing tags by all program participants.

Qualifying patients apply to DOH for registration to authorize their use, cultivation, purchase and possession of marijuana. Qualifying patients can designate a primary caregiver and/or an authorized purchaser who must also register with DOH. Cooperative cultivations and cultivators apply to DBR for a license to authorize their cultivation and possession of marijuana. Cooperative licensees are comprised of two or more registered primary caregivers who cooperatively cultivate marijuana at a single grow location. Licensed cultivators are authorized to cultivate medical marijuana for sale to licensed compassion centers. Licensed compassion centers, of which there are presently three in the State of Rhode Island, are authorized to cultivate, manufacture, deliver, supply and dispense marijuana, related supplies and educational materials to registered qualifying patients, primary caregivers and authorized purchasers. Effective April 1, 2017, every marijuana plant, either mature or seedling, grown by a registered patient, primary caregiver or cultivator must be accompanied by a physical medical marijuana plant tag purchased through DBR.

Purpose

The Departments are seeking a Solution that will enable tracking of cultivation, testing, supply chain, sales and dispensing of medical marijuana from seed to sale. The Solution will be used by the Departments to maintain and track registry identification cardholder, licensee and plant tag data. The Solution will be utilized to conduct the following activities under the Program: submission of registration and license applications, fees and practitioner certifications; review and processing of applications and renewals; processing of payments; issuance of registrations, licenses and registry identification cards; purchase and issuance of plant tag sets; sending and receiving notices; preparation and submission of reports; verification of registry identification cards, registered grow premises and plant tags; maintenance of inventory, sale, dispensing and other transaction records.

Solution users will include DOH, DBR and Department of Public Safety Division of the Rhode Island State Police (“DPSD”) and their authorized employees; qualifying patient cardholders and their practitioners; primary caregiver and authorized purchaser cardholders; licensed compassion centers and cultivators and their authorized registry identification cardholders and authorized independent testing laboratories.

The Departments will use the Medical Marijuana Program Tracking Solution to implement and administer the recent changes under the Act across four key parts of the Medical Marijuana Program:

- Registrations and Licenses
- Patient and Caregiver Grows
- Licensed and Commercial Grows
- Retail Point of Sale

Registrations and Licenses:

The Departments will use the Medical Marijuana Program Tracking Solution to electronically receive and process all registration and license applications and fee payments. Qualifying patients, primary caregivers and authorized purchasers will electronically submit their registration applications and all related information to DOH through the Solution. DOH will use the Solution to review and approve applications and renewals and to issue registration cards, including expediting applications for chemotherapy and hospice patients, and confirmation that the applicant has applied to the DPSD for a national criminal identification records check. DPSD will inform an applicant in writing of the discovery of any disqualifying offense and inform the Departments that a disqualifying offense has been found. The Solution will also allow healthcare practitioners to submit patient certifications and supporting medical documents electronically through a physician portal. The Solution will track patient-caregiver and patient-authorized purchaser associations and their corresponding possession limits, grow limits and registered grow locations. Cardholders will use the Solution to notify DOH in the event of a name/address change or if their card is lost or stolen. Qualifying patients will also provide electronic notice to DOH through the Solution of any change of primary caregiver or authorized purchaser. This information must be accessible to law

enforcement and regulatory officials in the field in real time. Primary caregivers and qualifying patients who wish to grow marijuana for themselves will register their grow location with DOH through the Solution after they have been registered in the Program.

Cooperative, cultivator and compassion center registration and license applicants will submit their applications, related information and fees to DBR electronically through the Solution. DBR will use to Solution to review and approve applications and renewals and to issue registration cards and licenses. Cooperative, cultivator and cultivator licensees may use the Solution to notify DBR of certain cardholder/licensee information changes of for other required notifications. Registration and license information must be accessible to law enforcement and regulatory officials in the field in real time.

Patient and Caregiver Grows:

All plants grown by qualifying patients, primary caregivers, and cultivator license holders must have a valid medical marijuana tag purchased from DBR. These tags will be requested, purchased, and issued through the Medical Marijuana Program Tracking Solution. After a patient or caregiver is registered in the Program and has registered their growing location with DOH, they will submit a request to purchase medical marijuana tags to DBR. The request will contain the qualifying patient and primary caregiver identification numbers that will be associated with the requested tags, as well as the grow location. DBR will use the Medical Marijuana Program Tracking Solution to confirm that the grow location, patient and caregiver numbers, and patient-caregiver associations on the tag purchasing form match DOH data. Grow tags will be issued once this verification is established. Each marijuana grow tag must have a unique identifier, which the Medical Marijuana Program Tracking Solution will link to the registered grow location, patient grower identification number, caregiver grower identification number and associated patient number, tag expiration date, and any other information required by the Departments. This information must be accessible to law enforcement and regulatory officials in the field in real time. Qualifying patient and primary caregiver tags will be purchased in sets of two; one mature plant tag and one seedling plant tag. Each patient and caregiver tag set will have a fixed annual fee of no more than \$25.00. Patient and caregiver plants will only be tagged and tracked during the cultivation stage and will not be subject to testing regulations, labeling regulations, or tracked through to the point of sale as will the plants of compassion center and cultivator license holders. Once a patient or caregiver plant is harvested it no longer needs to be tagged and the tag will be reused on a new plant.

Licensed and Commercial Grows:

DBR has regulatory authority over licensed cultivators, licensed cooperative cultivations and effective January 1, 2017, over compassion centers. Licensed cooperative cultivations will continue to serve as a combined grow for multiple qualifying patients and/or primary caregivers and will be required to have each marijuana plant tagged like any other patient or caregiver plant in the Program. Licensed cultivators and compassion centers will be required to use the Medical Marijuana Program Tracking Solution to track all medical marijuana from seed to sale. All medical marijuana and marijuana products grown, manufactured, or sold by cultivators and compassion centers will be tracked through the Medical Marijuana Program Tracking Solution from the plant's point of origin through cultivation, harvest, testing, manufacturing, and labeling until the point of sale. Cultivators' use of a seed to sale tracking system will fulfill the statutory requirement that their plants be issued a marijuana grow tag. This information must be accessible to law enforcement and regulatory officials in the field in real time. Cultivators, compassion centers and testing facilities will be responsible for their cost to use the Medical Marijuana Program Tracking Solution and any other expenses needed for seed to sale and point of sale tracking. These costs may be assessed on an annual, monthly, per use, or per volume basis.

Point of Sale System:

Each compassion center will use the Medical Marijuana Program Tracking Solution to track their point of sale transactions and ensure compliance with dispensing limits. At the point of sale, each qualifying patient, primary caregiver or authorized purchaser will be verified through the Solution to ensure that they are valid Program members and that they are not purchasing an amount of marijuana in excess of their possession or dispensing limits. The Solution will also incorporate new DOH portion and equivalency ratios to ensure legal amounts of medical marijuana are dispensed regardless of the method of ingestion. The Solution must include functionality designed to safeguard confidential information consistent with the requirements under HIPAA and the Act.

Timeline:

The Act requires qualifying patient and primary caregiver grow tags to be available starting January 1, 2017. This will require that, as of that date, the Medical Marijuana Program Tracking Solution be in a state of production sufficient to be able to receive and process registration applications, grow locations, qualifying patient and primary caregiver grow tag purchasing requests, verify plant tag information between Departments, and program and issue grow tags. This January 1, 2017 deadline does not apply to other aspects of Article 14 impacting the functions of the Medical Marijuana Program Tracking Solution. However, also effective January 1, 2017, qualifying patient and primary caregiver sales of medical marijuana to compassion centers will be prohibited. As such, it is imperative to have the Solution in a production state to receive and process applications for cultivator licenses and for licensed cultivators to have the seed to sale tracking functions that cultivators and compassion centers will be using in place as soon as possible.

DOH and DBR are in the process of drafting and promulgating regulations under Article 14. These Regulations may require other Medical Marijuana Program Tracking Solution functions and capabilities in addition to what is included in this RFP. Under Article 14, all licensed cultivators and compassion centers will use the seed to sale and point of sale features of the Medical Marijuana Program Tracking Solution. However, the Solution should also be able to interface with other marijuana inventory systems and point of sale systems used by licensees.

Hemp Growth Act

Rhode Island Public Laws 2016, ch. 441, the 2016 Hemp Growth Act, authorizes the Department of Business Regulation to issue licenses for the growing and manufacturing of industrial hemp and hemp products. The act requires all licensees to track the cultivation, manufacturing, and distribution of hemp through a seed to sale tracking system. Licensees will also test hemp crops to ensure THC potency is below the legal limit. The Medical Marijuana Program Tracking Solution will also be used by the Department of Business Regulation and licensed hemp growers and handlers to oversee the hemp industry. Like cultivators, compassion centers and testing facilities, hemp growers and handlers will be responsible for their cost to use the Medical Marijuana Program Tracking Solution and any other expenses needed for seed to sale and testing. These costs may be assessed on an annual, monthly, per use, or per volume basis. The 2016 Hemp Growth Act can be found at the following URL: <http://webserver.rilin.state.ri.us/PublicLaws/law16/law16441.htm>.

SECTION 3: SCOPE OF WORK

General Scope of Work

The Departments seek a vendor to provide the Solution and Services, which will be used by DOH, DBR and DPSD and their authorized employees in connection with the registration/licensing, regulation, inspection and enforcement under Rhode Island's Medical Marijuana Program. The Solution will also be used by DBR in connection with licensing, regulation, inspection and enforcement pursuant to the Hemp Growth Act. The Solution and Services must satisfy the Requirements and include the Deliverables set forth in this RFP. The Solution should include the following hardware equipment:

Twelve (12) Surface Pro Tablets or other comparable mobility devices to be used by DBR inspectors and/or DPSD personnel in connection with inspection and enforcement

RFID enabled tags

RFID scanners

Smart chip enabled cards (or cards of comparable security and function)

Smart chip card readers (or hardware required to read information from cards of comparable security and function)

In addition to the DOH, DBR and DPSD users described above, the Solution will also be used by qualifying patient cardholders and their practitioners, primary caregiver and authorized purchaser cardholders to submit applications, payments and notices and to register grow locations. Licensed compassion centers and cultivators and their authorized registry identification cardholders will use the Solution to submit applications, payments, notices and reports and for recordkeeping related to cultivation, manufacture, sale and dispensary transactions and inventory. Authorized testing laboratory personnel will submit test results using the Solution. The vendor will work under the direction of the Departments' designated Project Manager and perform the activities related to the Deliverables and Requirements of this RFP. The vendor will also work closely with the IT Project Lead designated within the State's Office of Digital Excellence ("ODE").

Eligibility of Bidders

Potential bidders must meet the following minimum requirements in order to be eligible to submit a proposal:

1. Currently own a Medical Marijuana Tracking Software Solution and have at least one client who has been utilizing this software for a period of at least 12 months,
2. Have the ability to host the software and operate the software as a service, and
3. Have the ability to configure and deploy the Medical Marijuana Tracking Solution to be in full production or, at a minimum, in a state of production sufficient to enable the Departments to meet the qualifying patient, primary caregiver and authorized purchaser registration and tagging requirements under the Act by December 31, 2016.

Requirements

The Medical Marijuana Tracking Solution and Services Requirements are provided below. Once under contract, the vendor will be expected to fulfill all Requirements. Changes to the software application, including new features and upgrades released by the vendor, must be provided at no additional cost. The vendor cannot, under any circumstances, diminish the functionality or capability of the Solution or Services during the contract term, including any extensions of the term agreed to by the parties.

GENERAL

The State of Rhode Island is seeking a comprehensive and configurable cannabis seed-to-sale software application and database to manage all aspects of The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act (R.I. Gen. Laws Section 21-28.6 -1 *et seq.*), as amended by Rhode Island Public Laws 2016, ch. 142, Article 14 (<http://webserver.rilin.state.ri.us/PublicLaws/Law16/law16142-14.htm>), and the Hemp Growth Act, Rhode Island Public Laws 2016, ch. 441 (<http://webserver.rilin.state.ri.us/PublicLaws/law16/law16441.htm>).

This includes but is not limited to:

- Process registrations and applications
- Store and track patient and caregiver grow tag data and cardholder data
- Track commercial growing, testing, and sales
- Track retail sales and dispensing transactions
- Allow real time verification to enforcement officials

The contractor must provide a secure, web-based Configurable Off-the-Shelf (COTS) solution that can be accessed by multiple state agencies and external organizations (such as compassion centers, testing facilities and the DPSD).

All applications and supporting information submitted by patients, including information regarding their caregivers, physicians, purchasers, etc., are confidential and protected under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Health Information Technology for Economic and Clinical Health Act (“HITECH”), their implementing regulations, Rhode Island Mental Health Law R.I. Gen. Laws § 40.1-5-1, *et seq.* and the Rhode Island Confidentiality of Health Care Communications and Information Act R.I. Gen. Laws § 5-37.3-1, *et seq.*, and any other applicable federal or state law. For this reason, the solution must have built-in data partitions to ensure that differently categorized groups of users have access to different data and comply with these laws.

The contractor must allow the State of Rhode Island access to the raw data for reporting purposes, such as via a coalesced database view exposed through a secure ODBC connection for use with a reporting tool or secured, RESTful web service interface. If securely exposed databased views are not feasible for some reason, the contractor must provide a detailed “data dictionary,” and schema overview so the State can efficiently query the solution.

The contractor must host the software application as part of its software maintenance agreement. No additional hardware will be required of the State of Rhode Island as far as running the software application and database. (However, see below regarding ID card and plant tag printing.)

The solution must offer user- and role-based security so that the system administrator can precisely control access permissions to solution features and transactions.

Principal Users by Agency

The State expects that the solution will present dynamic, web-based graphical user interface workflows appropriate to the requirements and transactions of each of the below-listed groups of users.

Department of Health

- The solution shall allow DOH to track patient, physician, and caregiver information and ensure that all necessary information and supporting documents are submitted and housed within the solution.

Department of Business Regulation

- The solution shall allow DBR to track compassion center, cultivator, cooperative cultivator information and plant tags, ensuring that purchase and growth limits are upheld and tracking marijuana as it moves through the solution.

Law Enforcement

- The solution shall be able to inform Law Enforcement of a cardholder's registration identification number and non-HIPAA protected information via secure, web-based verification site or secure services integration into existing law enforcement infrastructure, or by using the RFID card (see below) or comparable technology, as well as informing law enforcement of the maximum allowable amounts of harvested marijuana and plants on any given premise during inspection.

Compassion Centers

- The solution shall allow Compassion Centers to issue production orders to cultivators, log sales, and obey dispensing limits to patients, caregivers and authorized purchasers, track their inventories from seed to sale, log production, track product testing, and maintain their licenses.

Cultivators

- The solution shall allow cultivators to log sales to compassion centers, log and track their inventories, growth operations, and manufacturing operations from seed to sale, track product testing, and manage their licenses.

Physicians

- The solution shall allow physicians to recommend Medical Marijuana to patients and upload supporting medical materials.

Patients, Caregivers, Authorized Purchasers

- The solution shall facilitate the linking of patients with caregivers and authorized purchasers and the tracking of growth and purchases amongst these group members so that consumption, growth, and purchase limits can be upheld.

Testing Facilities

- The solution shall allow third-party testing facilities to log test results of marijuana and marijuana products. It shall allow the Departments of Health and Business Regulation to monitor the results and incorporate these results into test results manifests and allow the results to be exported into product labels.

Hemp Growers

- The solution shall allow hemp growers to track their inventories from seed to sale, log production, track product testing, and maintain their licenses.

The solution must be able to share data securely with other state databases (such as licensing and law-enforcement systems) via web services or, less desirably, through an export/import process of some kind.

Data for the following licensed entities must be imported from the existing Department of Health licensing database:

- Patients
- Minor Patients
- Caregivers
- Compassion Centers
- Compassion Center Staff, Agents, and Volunteers
- Compassion Center Cultivation Sites

Data for licensed physicians must be obtained, preferably, via integration to national Credential Verification Services or, less desirably, via the digesting of a daily export file from the Department of Health's licensing application (currently System Automation's MyLicenseOffice or License2000) for Rhode Island licensees only. Offeror should specify which option their solution would require.

In the event Medical Marijuana becomes a Schedule II prescription drug, the solution must be able to share data inter-operably via a modern web-services format with the Prescription Monitoring Program so that users of that system can view a patient's Medical Marijuana prescriptions along with other controlled substances on Schedules II - V.

REGISTRATION

The solution must be able to register the following license types using an online registration and license renewal system and must be able to process payments through a process deemed satisfactory by the Departments of Health and Business Regulation:

- Patient
- Physicians (see below for details on physician credential verification) – Data Elements will include:
 - Name
 - Practice Address
 - E-mail
 - Phone number
 - State License Number
 - Active Status Verification
 - Hospice (for expediting applications)
- Caregiver
- Authorized Purchaser
- Compassion Center
- Compassion Center Off-site Cultivation
- Compassion Center Staff, Agents, and Volunteers
- Cultivator Staff and Agents
- Cooperative Cultivations
- Plant tags
- Testing Facility
- Hemp Growers

An authorized user must be able to record and update the following information for each licensee:

- Name
- Date of Birth (for individuals)
- Mailing address

- Growth address, applicable to:
 - Patient and Caregiver Plant Tags
 - Compassion Centers
 - Compassion Center Off-site Cultivation
 - Cultivators
 - Cooperative Cultivations
- Grow tags and their associated patient and/or caregiver
- Phone number
- E-mail Address
- DBA, Owner, and Corporation information (for businesses)
- License number (automatically calculated, sequentially assigned)
- License Status
- License Issue Date
- License Expiration Date
- Photograph (individuals)
- Qualifying Diagnosis (patient)
- Willingness to participate in clinical studies (patient)
 - An authorized user will be able to send a mass E-mail to all patients who responded "yes" in the event of a clinical study.
- Whether or not the patient will grow his/her own plants
- Qualification for reduced registration fee
- Qualification for expedited processing

Users must be able to update their demographic information online, provided, however, that the solution will charge the appropriate fee where applicable for the change of information (such as a change of patient or caregiver address).

Licensees must also be able to request updates to their personal information through the solution (demographic, address changes, change of medical condition, opting out of the program, request for new card, dropping of authorized purchaser or caregiver, etc.). These requests must be timestamped to ensure statutory compliance (10 days to issue new card).

The solution must record the issue date and expiration date of each license type (including 30-day “Temporary Registration Certificates” that expire automatically), as well as update the expiration date to the correct future date automatically whenever the license is renewed.

The solution must assess fees according to issue date and expiration date policies and allow the user to enter payments for each fee individually.

The solution must publish public information (such as compassion centers and compassion center staff license information) via a web interface available to the public in an accessible web-services application programming interface (API) format as well as common spreadsheet formats such as Microsoft Excel or comma-separated value file.

Authorizing physicians must be able to log in and authorize or deny a patient request for registration at initial licensure as well as upon license renewal.

The solution must allow an authorized user from the Department of Health to designate certain qualifying ailments as requiring expedited service (those eligible for hospice care or chemotherapy). Patient registrations with expedited service ailments must be prioritized and placed on an expedited service

timeline. They must also be flagged and categorized so as to be more visible, with different timeline restrictions than normal applications (within 5 days of receipt).

The solution must allow an applicant to declare that they are currently homeless, and therefore not require a permanent address in the course of the application workflow.

PAYMENTS

Ideally, the solution will also have its own Point-of-Sale (POS) tracking system and the ability to accept and track payments, fees, and penalties.

The solution shall record those patients and caregivers eligible for reduced fees (such as but not limited to those eligible for Medicaid, Supplemental Security Income, Social Security Disability Insurance, Disabled Veterans Status, Federal Railroad Retirement benefit, etc.) and charge them accordingly for license and renewal fees.

The solution must also have an adaptive fee structure for caregiver plant tags that takes into account the number of patients eligible for reduced registration (as these tags and these tags only will be free of charge).

The solution must also have a mechanism by which fluctuations in income can influence the application and renewal fees paid by patients, caregivers, and purchasers (consistent with R.I. Gen. Laws Section 21-28.6-5(b)).

ENFORCEMENT

The solution must be able to enforce the following requirements automatically:

- A patient may have a maximum of 1 authorized purchaser and 1 caregiver.
- The authorized purchaser and caregiver must be linked to the patient such that these license types cannot be issued without an active patient.
- The authorized purchaser and caregiver registration cards must expire when the patient license expires.

A minor patient (under 18) must have a minimum of 1 parent or guardian authorized purchaser or caregiver.

An authorized purchaser may have only 1 patient.

A caregiver may have a maximum of 5 patients.

The active status of the authorized purchaser and/or caregiver must be tied to the status of the license of the patient with whom they are associated.

A patient must have a physician actively licensed in the states of RI, MA or CT.

The patient registration cannot be issued unless a physician logs in to the solution to authorize the registration.

An authorized purchaser, caregiver, or Medical Marijuana employee, agent or volunteer (of a compassion center or cultivation operation) requires a national criminal record check (NCRC) that must be run every two years from the date it was originally run. The solution must be able to track and enforce the expiration date of the NCRC.

A user who has their license or registration card revoked or who for whatever reason is removed from the Medical Marijuana program must have their information housed in the solution to prevent re-application and accidental reissuance.

The solution must be able to freeze or shut down user accounts and notify associated users (patients of caregivers, employees of compassion centers, etc.) when an associated user has lost their registration.

The solution must be able to assess penalty fees when required by law for disciplinary action.

The solution must ensure that information on maximum allowable number of plants, grow locations, maximum weight (or equivalent amount) of dried/usable or wet Medical Marijuana, and types of allowable products (processed or unprocessed) are available to law enforcement remotely during inspections, on a case-by-case basis. Law enforcement must not have the ability to generate and view blanket lists of individuals enrolled in the program or addresses associated with Medical Marijuana growers.

Integration to “Credential Verification Systems” for Out-of-State Physicians

Due consideration will be given to offerors who integrate to national Credential Verification Systems in order to verify the practice status of physicians, particularly those not based in the State of Rhode Island.

PRINTING

The solution must be able to automatically generate letters, E-mails, and text messages to specified groups of licensees.

Offerors should outline their standard approach to printing ID Cards, particularly under the following scenarios:

1. Card printing infrastructure already exists: At time of RFP Release, the Department of Health currently leverages a DataCard CD800 Card Printer. Offeror should address whether the existing card printer can be used with the solution to print ID cards.
2. Card printing infrastructure does not exist: Offeror should designate whether their solution allows or requires the outsourcing of card printing to an external central-issuance 3rd party, and all pertinent details of that relationship, including method and security of data transmission, should it exist.

CARDS

The solution must be able to print the photo ID cards using smart-chip technology (such as Radio Frequency Identification or RFID) or an equally-secure data storage method for all licensees that are individuals containing database information such as but not limited to:

- Name
- License Type
- Registration Numbers (patients with associated caregivers and/or authorized purchasers and employees/volunteers/agents associated with Medical Marijuana compassion centers)
- Issue Date
- Expiration Date
- Growth address (if applicable to a patient caregiver)
- Photo
- Possession limit
- Plant tag limit

The solution must allow any patient, caregiver, or compassion center employee/volunteer/agent to notify the State of Rhode Island of any change in demographics. This notification must trigger the solution to charge the statutory fee for change of information and print a new card if necessary.

A caregiver card for a particular patient shall expire ten days after the patient notifies the State of Rhode Island that the caregiver is no longer associated with the patient. The solution shall automatically notify the caregiver via E-mail that this particular patient is dropping him or her and that this particular patient-caregiver card will expire in ten days. Any tags the caregiver has associated with a dropped patient shall expire 10 day after notification of the drop unless the caregiver associates the tags with another of their registered patients and pays all applicable fees.

When a patient, caregiver, authorized purchaser, or compassion center employee/volunteer/agent loses his registry identification card, the solution will automatically charge the statutory replacement fee and send a duplicate card upon payment.

DOCUMENT MANAGEMENT

The solution must be able to accept scanned documents, assign them to a specific license record, timestamp them, and house them over time in accordance with a retention schedule to be set by the Departments. Current document retention schedules for the Department of Health can be found here: <http://sos.ri.gov/documents/archives/recordsretentionschedules/DOH.pdf>.

Ideally, the solution should be able to accept scanned documents from users directly via a file upload interface or a mobile interface that allows for documents to be photographed and uploaded at a sufficiently high resolution for State purposes.

INSPECTIONS

The solution must be able to track and generate reports on inspections of any facility licensed by the Medical Marijuana program.

COMPLAINTS

The solution must be able to track and report on complaints against any Medical Marijuana licensee.

Complaint data must include but is not limited to the following:

- Licensee (respondent)
- Date of occurrence
- Date of complaint letter
- Date of letter to respondent
- Date of sanction
- Complaint stage/owner (intake, triage, investigative findings, sanction if any)
- Supporting documents related to the complaint, which an authorized Department user must be able to upload.

The solution must be able to produce report statistics such as but not limited to:

- Complaints or other activities filtered by date parameters
- Sanctions

- Stage

PLANT TAGS AND SEED TO SALE TRACKING

The solution must be able to record and enforce the maximum number of patient and caregiver plant tags per patient, caregiver, and address (currently twenty-four plants per dwelling unit in statute). Cultivator and compassion centers marijuana inventory must be able to be tracked from seed-to-sale, including cultivation, harvest, testing, manufacturing, packaging, labeling, and final sale.

Patient and caregiver plant tag information shall include but not be limited to:

- The licensee to whom the plant tag is issued
- The patient for whom the plants are being grown (for caregivers)
- Issue date
- Expiration date
- Growth address associated with plant tag

Cultivator and Caregiver seed to sale solution shall include but not be limited to:

- Scannable or readable unique identifiers for all plants, cultivated marijuana, and manufactured and packaged marijuana products which will track each finished product from its origin through to its point of sale.
- Information tracked through seed to sale unique identifiers shall include but not be limited to:
 - Plant owner license type
 - Plant grow address
 - Date of manufacture
 - Date of testing
 - Date of packaging
 - Testing results
 - Dates of transfer or sale between cultivators and compassion centers
 - Plant origin
- Real time inventory tracking within licensed locations and shipment tracking between license holders
- Work order and/or purchase agreement associated with a harvested crop or marijuana product
- Order fulfillment and order payment tracking
- Integration with the solution's point of sale tracking

Patient and caregiver grow tags must utilize a readable smart-chip technology (such as Radio Frequency Identification or RFID) or comparable technology containing the information necessary for law enforcement including but not limited to:

- Plant tag number
- Plant grow address
- Plant owner and plant user identification numbers (patient and/or caregiver)
- Plant tag issue date
- Plant tag expiration date

INVENTORY

The solution must be able to track and report on Medical Marijuana sales to patients through compassion centers.

Using an equivalency ratio to be set in regulation, the solution must keep a cumulative sum of Medical Marijuana sales to a given patient, caregiver or authorized purchaser by equivalency dosage combined from all compassion center sales to ensure that a patient does not purchase or receive more than the maximum allowable amount of dried usable marijuana or its equivalent in a fifteen-day period (or any period set forth in statute or regulation).

The solution shall track the inventory of the compassion centers and cultivators; in other words, as inventory is sold, the revenue is recorded and the inventory is credited. Similarly, the solution shall record when new inventory is acquired.

In keeping with R.I. Gen. Laws Section 21-28.6-12(b)(7), sales data must be robust enough to determine over time whether “reasonable” rates are being charged by each compassion center. Sales data must record and track weight, form of product, equivalent dosage, final sale price, and if compassion centers are producing enough marijuana to address the needs of the Medical Marijuana program adequately.

Any point-of-sale solution must be Payment Card Industry Data Security Standard (PCI-DSS) Compliant to a level appropriate for the State’s payment transaction volume.

LAB TESTING

The solution must be able to track sample procurement, sample origin, testing stages, testing results, and alert the State upon testing failure.

The solution shall be able to certify third-party testers based on regulation promulgated by the State of Rhode Island. This shall include but is not limited to recording that the testing agents are not affiliated with any compassion center or cultivator through ownership or financial interest in order to avoid conflict of interest and other ethics violations.

The solution shall be able to record all of the following attributes of any plant or product (but not limited to the following):

- Potency
- Cannabinoid profile
- Contaminants
- Microbes
- Pesticides
- Solvent residues
- Heavy metals
- THC
- THCA
- CBD
- Tri-combs

The solution should be able to notify interested parties automatically upon receipt of a hazardous test result.

LABELING

The solution must be able to print labels showing all (but not limited to) the following attributes of any given tagged plant or product:

- Tracking ID number
- Potency
- Weights/volume
- Date of packaging
- Instructions for use
- Warnings
- Test results
- Serving size

EQUIVALENT DOSAGE

The solution must be able to calculate equivalent dosages between all of the following (but not limited to the following) as defined in regulation:

- Dried usable marijuana
- Wet-weight marijuana
- Edibles
- Concentrates
- Extracts

Equivalent dosage may be calculated by any or all of the following (but not limited to the following):

- Yield
- Potency
- Market price

REPORTS

The solution must be able to produce customizable reports as needed, including quarterly reports as required by statute including but not limited to the following:

- The number of applications received for patient, caregiver, and purchaser
- The number of applications approved for patient, caregiver, and purchaser
- Percentage breakdown of qualifying diagnoses
- The number of license revocations
- The number and specialty of authorizing physicians

The solution must be able to produce annual reports as required by statute including but not limited to the following:

- The number of applications received for patient, caregiver, and purchaser
- The number of applications approved for patient, caregiver, and purchaser
- Percentage breakdown of qualifying diagnoses
- The number of license revocations
- The number and specialty of authorizing physicians
- The number of active patients, caregivers, and purchasers as of June 30th each year

The solution must also be able to produce simple on-demand reports such as but not limited to:

- Number of patients per physician
- List of patients by physician
- List of patients by city and county of residence
- List of patients by diagnosis
- Revenue by date range per compassion center
- Volume of sales by date range per compassion center

Note: All reports and queries should be able to produce lists containing either registrant names, registration ID numbers or both depending on the system permissions of the party generating the report.

REVENUE

The solution must be able to report on both accounts receivable and revenue by license type and by date for any given time frame.

PROGRAM REQUIREMENTS AND EVOLVING REGULATIONS

As noted in the Medical Marijuana Program and Hemp Growth Act Tracking Solution Request for Proposal, the Departments of Health and Business Regulation continue to draft program regulations which are subject to change. As such, the requirements listed herein may change. Any eventual solution selected by the State must adhere to the regulations as promulgated, even if such regulations may partially contradict the requirements as discussed in this document.

USER EXPERIENCE AND ACCESSIBILITY

Simple and Intuitive

The overall user experience should be simple and intuitively designed for all users, both members of the public and Department of Health/Department of Business Regulation staff members.

Easy User Orientation in Workflows

Users should be able to easily figure out where in a given workflow they are. The platform should give visual representation of their progress throughout. If information in a given workflow is incomplete, the platform should highlight the exact fields that are incomplete or incorrect, with clear instructions for resolving any problems.

Save and Complete Later

Users should have the ability to save their progress in a given workflow and return to it later. Offerors should clearly define their login and account maintenance models in any responses (i.e. options for multi-factor authentication, “no password” secure authentication, encryption standards for credentials, etc.)

Accessibility Best Practices

The platform must be in compliance with the accessibility principles of Section 508 of the Federal Rehabilitation Act and the standards documented in the World Wide Web Consortium’s Web Content Authoring Guidelines, Version 2, Level AA (WCAG2 Standards).

Towards that end, accessibility considerations should be built into every phase of the project. Accessibility tests should be conducted before delivery and include testing results with all deliverables.

Multi-Channel

The solution must allow users to complete transactions via multiple channels. For example, a patient must be able to complete transactions via the web from their own home computer, tablet, or mobile device. An authorized Department user must also be able to process the same transaction when a patient or caregiver is physically in front of them.

Clearly Denoted Help

At all times, general and workflow or page-specific help resources should be available, easily accessible, and the act of accessing it should not introduce undo complications for the user.

Ability to Provide Live Assistance via Secure Chat

The State will give due consideration to offerors who support the ability to have Department of Health, Department of Business Regulation, or contractor support users interact with end-users of the solution via either a built-in or 3rd-party component secure chat system.

Consistent Language and Design

The language used in the workflow and help content must be consistent about its reference to objects, processes, and statuses, per guidance from the Departments.

Input Validation

While inputs must be validated throughout for business accuracy, the solution should be well-tested against malicious attacks such as SQL Injections, etc.

AGILE, ITERATIVE DEVELOPMENT

Agile Methodology

Many of the technical requirements listed above are reflective of the legal and regulatory hard parameters within which any solution selected must operate. Notwithstanding anything described as “must” or “shall” requirements in this RFP that reflect these hard requirements, the State expects that the contractor will implement the solution as approved by the State using modern Agile, iterative development methodologies using this document as a baseline.

A/B Testing for Usability

The transactions the solution will enable, and the data contained within them, are sensitive and confidential, as outlined elsewhere in this document. The State expects the contractor to conduct usability research on the platform throughout implementation and after the solution is live that automatically redacts sensitive information but provides key insights on user activities and ways to optimize ease of use.

Backlog and Bug Tracking

Training for Users, Project Team

The State expects the contractor to maintain a “user story” development backlog and bug-tracker on one (not multiple) modern, web-based platform under its control to which all members of the project team and stakeholders have access.

Version Control

The State expects the contractor to employ modern version control technologies (Git, SVN, Mercurial, TFS, etc.) for all development branches, configuration changes, etc.

Test-Driven/Behavior-Driven Design (TDD/BDD)

The State prefers contractors who have implemented their solution using modern Test-Driven or Behavior-Driven Design (TDD/BDD) practices and automated testing (see below). As part of the response to this RFP, Offerors are requested to indicate what percentage of their codebase was designed and implemented in such a way, as well as what code review practices are in their main codebase development process and any custom code they may develop for similar customers.

ARCHITECTURE

State-Owned Data

Data, information, usage and other analytics, and reports collected or prepared by the contractor as part of the project shall be deemed to be owned by the State.

The State will be the sole owner of all source code and any software which is developed specifically for use in the application software provided to the State as a part of this contract.

Cloud Provider / Tenancy Structure

The Hosting Solution Requirements are intended to address the software, hardware, and physical data center(s) that form the platform on which the seed-to-sale tracking software applications and databases are implemented. The requirements are to assure the State of a reliable, scalable, secure, and properly performing solution.

A shared, multi-tenant hosting solution is permissible. Such solutions will be expected to comply with the Federal Risk and Authorization Management Program (FedRAMP) requirements, as developed by the Federal Cloud Computing Initiative (FCCI) at the US General Services Administration (GSA) (<https://www.fedramp.gov/>). FedRAMP security controls and enhancements have been selected from the NIST SP 800-53 Revision 3 catalog of controls. FedRAMP requires that cloud computing services and systems offered by Cloud Service Providers (CSPs) meet specified security requirements. CSPs will be required to use qualified, accredited, Third-Party Assessment Organizations to perform independent assessments on their service and systems which results will be shared with the State. Data shall be hosted within the continental US (government-only shared hosting is preferable). The contractor may provide hosting services itself, or use an approved subcontractor; however, the contractor is solely responsible for assuring that the requirements are met. The contractor shall obtain prior written approval from the State before entering into an agreement for hosting services to be provided by another entity, including but not limited to a third-party data center or other subcontractor, for purposes of this contract.

NCIC/CJIS Security Standards for RILETS Integration

The State has an expressed desire to integrate the Rhode Island Law Enforcement Telecommunications System (“RILETS”) and other law enforcement systems into the solution. Ideally, the contractor’s hosting environment would be materially compliant with the Federal Bureau of Investigation’s Criminal Justice Information Services Security Policy (<https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center/view>) in order to permit this. Contractor should provide a general overview of the level of CJIS compliance of their hosting environment and their roadmap, if any, to becoming so in the future.

Hardware and Software

The contractor shall provide the hardware, software, communications, and other infrastructure necessary to meet the requirements of this RFP at no additional cost to the State, including any licenses that must be procured and maintained.

Hosting Environment(s)

Regardless of provider, the State expects that contractor shall provide a secure, Tier 3 data center to house equipment, with 24/7 system monitoring, managed firewall services, and managed backup services.

The data center shall meet the specifications of at a minimum a Tier 3 data center as per the Uptime Institute guidelines: <https://uptimeinstitute.com/tiers>

The contractor main data center must utilize redundant components so that no single point of failure exists on any equipment supporting the seed-to-sale solution as specified for Uptime Institute Tier 3 data center classification.

The contractor shall have an alternate secure hosting site available in the event that it is not possible to restore operations in the primary site within the Recovery Time Objective of four (4) hours.

The contractor must provide separate QA and training environments identical in configuration to the one in production and such environment must be accessible by the State for testing, prototyping and training.

The hosting environment will be scalable to meet the needs of the Solution to support future growth of the Medical Marijuana program.

All Solution data will be retained for records retention periods set by the Departments, and will be backed up, co-located and replicated to be in compliance with State and federal requirements.

Policies and procedures for destruction of data must be defined and approved by the State. Contractor will remove or destroy the data, if requested by the State, based on these established procedures at no additional cost to the state.

Acknowledging that not all tasks and activities needed to operate, administer and maintain software applications in a data center may be specifically listed in this RFP, contractor agrees to perform all tasks considered normal and routine hosting services consistent with the scope of this RFP excluding those tasks expressly excluded in this document.

Network

The data center shall have a redundant, fault-tolerant network and connections to the Internet.

The contractor shall maintain sufficient network bandwidth to support concurrent multiple users, maintaining acceptable performance with 97% of the executed transactions averaging 6.0 seconds or less, measured by real user monitoring (“RUM”) over a twenty-four (24) hour period. Failure to achieve this performance level will be subject to the “Problem” and “Incident” categorizations below, as well as the applicable penalties thereof.

The contractor shall not be responsible for issues on State networks or the public Internet.

Environmental Systems

The data center shall have fault tolerant, redundant environmental systems, including power, temperature and humidity control, and fire suppression as specified for Uptime Institute Tier 3 data center classification.

Physical Security

The data center shall be physically secured as specified for Uptime Institute Tier 3 data center classification.

Access to the data center shall be restricted to authorized personnel using multi-layered controls and procedures.

The contractor must establish and follow policies for granting access to the data center. These policies must be reviewed and approved by the State.

Access shall only be granted to those with a need to perform tasks in the data center. The data center shall be physically secured as specified for Uptime Institute Tier 3 data center classification.

Network, Server, and Application Security

The data center network shall include robust firewall, intrusion prevention and intrusion detection systems to prevent and detect unauthorized access.

All software, including operating systems and middleware, used to host the system shall be patched no more than one month after patch availability to minimize security vulnerabilities.

Contractor shall perform vulnerability scans of its systems and application(s) prior to the release of new versions of the software. The software used to perform this scan must be approved by the State and the result of the scans must be provided to and approved by the State prior to releasing new systems or new versions of the application to production.

LDAP/Active Directory Integration

To ease security concerns and user account creation and maintenance, the State will give due consideration to solutions who allow for direct integration into the State's existing Active Directory infrastructure for authorized Department user authentication into the solution. Indirect integration via Lightweight Directory Access Protocol ("LDAP") is acceptable, as long as access controls for authorized users can be maintained via Active Directory user groups and organizational units that translate correctly via LDAP.

System Management and Monitoring

All servers and devices shall have currently-supported and hardened operating systems, employing up to date anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities.

Solution must retain a history of all network and application accesses including a history of all transactions performed while the user was logged on. This information must be retained for a minimum of 2 years unless otherwise specified by RI law, regulations, policy and/or standards.

The contractor will notify the State about unscheduled downtime and complete required reports as prescribed in the below Maintenance and Support Requirements.

The contractor shall notify the State about any breach of cyber or physical security within one (1) hour of the incident.

The contractor shall sufficiently automate system performance monitoring such that State and contractor personnel are notified via email and/or text message/SMS of significant performance or security issues.

In addition to overall technical and practical system performance, the State expects the solution to feature a built-in dashboard where State personnel can see, at a glance, application and workflow processing statistics such as: number of incomplete applications, number of complete applications, completed but unprocessed applications, average processing times, etc.

MAINTENANCE AND SUPPORT

Definitions

The definitions below shall apply to this document.

"Best Practices" means the industry standard as adopted by RI DoIT for IT Service Management, ITIL v 3 (Information Technology Infrastructure Library) Service Level Management standard http://wiki.servicenow.com/index.php?title=ITIL_Service_Level_Management.

"Breach" means an actual or perceived event arising from a risk, threat, or vulnerability that may affect the confidentiality, integrity, or availability of information resources or data, cause damage to IT systems and/or network, or result in a significant loss of vital business assets or as defined in the contract with the proposed vendor.

"Defect" An error, flaw, mistake, failure, fault or "undocumented feature" in the Solution that causes a deviation, which in the State's reasonable discretion is detrimental, from its intended behavior or performance as specified in its written specifications.

"Designated Representatives" means the State or Compassion Center's support and management staff, who shall be authorized to contact contractor for the purpose of obtaining Call Center assistance.

“Incident” is an unplanned disruption or degradation of service capabilities. An incident is something that needs to be resolved immediately. This can either be through a permanent fix or a workaround. An example of an incident would be a disruption in the system services caused by a server crash. If a server is used only during Compassion center hours, a crash after Compassion center hours is, not yet an incident since no system service was affected. It becomes an incident only when the outage extends to the hours of use. If an outage is planned, for example, a scheduled maintenance, this is not an incident and should not be counted as part of the system performance metrics. If the planned outage exceeds the scheduled time, then the over time for the outage becomes an incident if service capabilities are affected. Other examples would be if a system service becomes unusable, or service capabilities are degraded. (Note: Severity of the issue is determined by the impact. Incidents are addressed by severity first then age, oldest being addressed first.)

“Maintenance Services” means the maintenance services to be provided by contractor pursuant to this RFP and the contract to be entered into by the State and the successful contractor.

“Support Level” refers to the extent of technical assistance, which must be provided by the contractor for the Solution users. Contractor’s support level definitions must be described within their proposals. The State has listed the ITIL support levels for the purpose of this RFP evaluation, as shown below.

1st Level Support

The responsibility of 1st Level Support is to register and classify received Incidents and to undertake an immediate effort in order to restore a failed IT service as quickly as possible.

If no ad-hoc solution can be achieved, 1st Level Support will transfer the Incident to expert technical support groups (2nd Level Support).

1st Level Support also processes Service Requests and keeps users informed about their Incidents' status at agreed intervals.

2nd Level Support

2nd Level Support takes over Incidents which cannot be solved immediately with the means of 1st Level Support.

If necessary, it will request external support, e.g. from software or hardware manufacturers.

The aim is to restore a failed IT Service as quickly as possible.

If no solution can be found, the 2nd Level Support passes on the Incident to Problem Management.

“Normal Business Hours” refers to the customer service support center hours which must be maintained at a minimum between 7:00 a.m. and 9:00 p.m. Eastern United States time zone.

“Problem” is a cause of one or more incidents. Problems are not incidents. An incident can expose a problem. You may raise a problem in a support request ticket and reference it to a known incident. The cause of the problem may be known or not known.

“Support Services” means the support services to be provided by contractor pursuant to this RFP and the contract to be entered into between the State and the successful contractor.

“Term” means the duration of the contract to be entered into between the State and the successful contractor.

“Workaround” is a bypass of a recognized incident in a system. A workaround is typically a temporary fix and indicates that a permanent solution to the underlying problem is needed. Typically, workarounds are considered ‘brittle’ because they are implemented before extensive testing can be completed and may not

respond well to the expected range of system inputs. It is required that Workarounds are tracked and managed to address risk and that the development of a permanent solution is analyzed and designed. Furthermore, the contractor is required to schedule and complete the development of a permanent solution expeditiously.

“Service Capabilities” are the functional business related capabilities the Solution provides. An example of a Solution Service is the ability to record the dispensing of Medical Marijuana to a particular individual. Another example is the maintenance of the current product inventory at the Compassion center’s dispensing facility. The loss or degradation of a Solution Service may impact the business of the Compassion center.

“Service Level” is the specific performance metric that applies to each requirement in this document. “Service Levels” refers to multiple such metrics that apply to a set of requirements grouped by Support Service. In some cases, the minimum Service Level is made explicit in the text and tables. In other cases, the specific Service Level is not defined. The proposal is required to outline and document applicable Service Level that the proposed system will meet for each requirement.

Support Service Objectives

To ensure reasonable, consistent, high quality delivery of Support and Maintenance Services for the Solution, contractor shall apply Best Practices to provide the Maintenance and Support Services defined in this RFP in accordance with the Service Objectives, Procedures, Service Levels and chargebacks defined in this document.

1. Contractor shall diligently process, categorize and assess all changes to the Solution environment, validating that changes to the Solution are tested and controlled, and unplanned services disruptions are resolved in the shortest time possible.
2. Contractor shall oversee and maintain the Solution so that all software and hardware are current and supported technology, as deemed appropriate for the State business functions.
3. Contractor shall provide Support Services via the Call Center, E-mail Support and Web-based Support during Normal Business Hours for the Term to Designated Representatives. Contractor shall provide access to Contractor’s support resources for quick resolution, feedback, troubleshooting, and support. All contractor personnel providing the Support Services pursuant to this RFP shall have expertise and be fully trained in issue (incident and problem) identification and resolution or escalation relating to the Solution. Contractor personnel shall provide access to contractor’s software engineering and technical resources for quick resolution, feedback, troubleshooting, and support. All incidents and problems shall be logged in designated on-line support management software. The reported incidents and problems shall be viewable in detail and summary format by Designated Representatives.
4. Contractor shall be responsible for implementing occasional updates to the solution in response to changes in the legal or regulatory environment in the State with the cooperation and consent of Designated Representatives.
5. Contractor shall provide to the State monthly Maintenance and Support reports, in a mutually agreed upon format. The report(s) shall document past performance, future scheduled maintenance activities and system changes.

General Responsibilities

The following are general Support Services for which the contractor shall be responsible:

Security

Comply with State of Rhode Island, DoIT, and Department security policies, regulations, and standards applicable to the Solution for information, information systems, and personnel, physical and logical security. See below for expectations on a Comprehensive Security Strategy.

Data Availability

Upon request, expiration, or termination of the contract, contractor will provide or make available an encrypted copy of the State's Data to the State, in a non-proprietary, easily-accessible format. Upon written acknowledgement of verified receipt and decryption of the data by the State, the contractor shall irreversibly erase all State Data from its systems.

Policies, Procedures and Standards

The contractor is responsible for conforming to the policies and procedures of the State as outlined in the RFP, including governance standards. Contractor employees using the State resources shall adhere to all the State policies and procedures as outlined in the RFP.

Policies and procedures shall be provided as needed by the State

This includes but is not limited to policies and procedures for security and code of conduct (e.g., Internet usage, passwords, access to the State production systems and intellectual property rights, etc.).

Maintenance Services

Subject to the terms and conditions of this RFP and the contract to be entered into by the State and the successful contractor, contractor shall provide Maintenance Services for the Solution. Maintenance Services shall consist of the following:

Solution Maintenance and Updates

1. Contractor periodically deploys releases of the Solution into the Solution technical environments as defined in this document.
2. Except in cases of emergency, contractor shall notify the State at least thirty days prior to activating each update. If it is determined that additional time is necessary to address any impact on the integration of Solution with other system components of the overall solution the update shall be rescheduled to a later date as mutually agreed upon by the contractor and the State. Notification shall include the following, at a minimum:
 - a. Date of update activation;
 - b. Notes describing the update content;
 - c. Date, time, and duration of time required to deploy the update; and
 - d. Results of tests that document satisfactory test run of the update in Pre-production (Staging) environment of Solution.
3. Contractor shall apply continuous efforts and resources to resolve any Defect in the Solution identified by the State, otherwise brought to contractor's attention, or a Defect of which Contractor should reasonably become aware.
4. The State expects that all code developed for the system will be subject to automated testing, as indicated above.
5. The State also expects that, at a minimum, only code that has passed all local and system-wide unit and automated regression tests will be cleared for an automatic deployment/continuous integration into the contractor's production environment. Offerors should outline their standard deployment practices, including any "blue/green" architecture in place, as part of their response.

Maintenance Schedule

Current and Supported

The contractor shall assure fully-supported, current versions of all hardware and software components are used to support the system(s).

Scheduled Maintenance

Contractor shall perform routine maintenance on a regular basis to ensure proper operation. The maintenance shall be within the Service Levels defined in this document. The maintenance shall be performed between the hours of 11:00PM on Saturday and 6:00AM Sunday EST. The contractor shall provide the State with seventy-two hours advanced notice of scheduled maintenance whenever possible.

Emergency Maintenance

Contractor may need to perform emergency maintenance, such as when a Service Capability cannot be met by a nonperforming application with no workaround, or caused by a security patch installation or hardware replacement. The Contractor shall provide the State with notice of emergency maintenance in accordance with the change management as defined in the contract to be entered into between the State and the successful contractor.

Update Management

Activities include services required to appropriately manage and document changes to the application(s) and/or any of the Solution (Hardware, Software, Hosting etc., excluding services related to implementation) components including associated costs if outside of agreed upon scope. Update management also includes services required to appropriately manage and document changes to the underlying Solution hardware and software components.

Patching

The Contractor shall install all hardware and software patches, updates, and other utilities according to vendor recommendations and Best Practices, as required to maintain system operations and security. All critical patches shall be applied within thirty (30) days of general release, or sooner if requested by the State.

Version Control

The maintenance, tracking and auditing of modifications to an application's components over time, facilitating the restoration of an application to prior development stages.

Turnover Management

The promotion of software changes across different phases of the life cycle (e.g., development, unit test, systems test and production), including management of the approval process, production turnover and software migration control.

Platform Change

The coordinated activities with the State prior to any requested or required changes to the Solution and hosting platform that may affect the Service Capability performance of any of the STS environments. Any changes to the Solution and hosting platform must be managed consistent with the SOW and documented change management procedures defined during the Solution implementation.

Testing

All patches and updates shall be fully tested prior to implementation in the production environment. The contractor will maintain a QA environment to be used for such testing, as well as other functions as may be required.

Monitoring and Reporting Services

Contractor shall provide monitoring and reporting services that include the activities associated with the ongoing surveillance, tracking, escalation, resolution and reporting of application development problems. These problem management activities require coordination with the designated Level 1 and Level 2 help desk. This monitoring shall include, but is not limited to:

1. Monitoring the health of the application and notifying the operations team of potential issues.
2. Monitoring the connections between the different layers of the Solution.
3. Monitoring for critical exceptions within the application.
4. Monitoring the transaction and login rates for capacity and security.
5. Monitoring the connections between the different layers of the system and the public internet.
6. The Monitoring Plan shall provide a specific list of all physical devices (if dedicated hardware is used to host the Solution), hosts, ports, URLs, Web sites and other components that are required to be actively monitored.
7. The Monitoring Plan shall include the provisions for the detection of actions that attempt to compromise the confidentiality, integrity or availability of resources or data.

The Contractor shall generate and provide to the State system usage and performance reports on a minimum of monthly and on an exception basis, including the following:

1. Server up-time and down-time
2. All critical outages; including issue and resolution
3. All changes, patches and upgrades implemented
4. System access and
5. Any other issues and resolution

On a quarterly basis contractor shall provide to the State a consolidated list of major activities being performed, their status and plans for the next reporting period.

In addition to internal testing and tools, the State expects contractor to utilize tools to measure system performance akin to <https://www.pingdom.com/> and <https://www.librato.com/>, as well as publish an availability dashboard in the fashion of services offered by <https://www.statuspage.io/>. At a minimum, the State expects secure, anonymized, aggregated performance data of this kind to be made available via an Application Programming Interface (API).

Support Services

Subject to the terms and conditions of this RFP and the contract to be entered into between the State and the successful contractor, contractor shall provide Support Services as described herein for all components of the Solution, including hardware and third party supplied system software chosen by contractor. Support Services shall consist of the following:

Support Center

Standard customer care services are required to provide continued proper and effective use of the Solution by Users throughout the Term of the contract. The primary mechanism for delivering this service is the Support Center.

Support Center services are provided as follows:

1. The contractor will provide Level One and Level Two support for the Solution.
2. Support Center staff may be contacted by Solution end-users for support or the reporting of defects via toll-free telephone number provided by contractor. The Support Center must also provide for E- Mail Support and Web based Support.

3. Support Center staff provide assistance in the following areas:
 - a. Assistance related to the use of the Solution;
 - b. Advice on work-arounds for verified Defects;
 - c. Information on verified Defects previously identified by the State and reported to contractor.
 - d. Advice on completion and authorization for submission of the contractor Incident Report Form to report identified Incidents which may indicate a Problem in the Solution.
 - e. Contractor shall create and add appropriate documentation to the Solution help files or other mutually agreed upon tools to address the State issues.

Escalation Procedures

All incidents shall be reported as follows:

1. Users record incident in the designated help desk system (e.g. E-Mail, Web-based, Phone).
2. Contractor records incident in the Support System with ticket number and specified severity level as determined by the Severity Level Table.
3. Designated Representatives may escalate incidents in Support System via:
 - a. Support Center (Phone);
 - b. E-mail Support; or
 - c. Web-based Support.
4. Contractor personnel shall respond to Designated Representative based on the State-assigned severity level in accordance with the Severity Levels herein. Contractor personnel shall resolve incidents as expeditiously as possible, consistent with Best Practices and industry standards.

Complaints

The State shall escalate to contractor personnel manager upon unsatisfactory results not in compliance with Severity Level or if an issue is not resolved within a reasonable time for any incident or problem.

Support Service Availability

Contractor shall provide support via helpdesk during Normal Business Hours, as set forth in the contract statement of work, with compliance to the severity levels defined in this document. Outside Normal Business Hours requests must be initiated through E-Mail, or Web-based support. The Initial Response time requirement begins at the next business hour following the user's report of the issue. The State, within its reasonable discretion, shall review the assigned severity level based on the above definitions and shall convey its designation to contractor after the issue is reported. If contractor does not agree with the State's designation of the severity level for any issue, it shall indicate the severity level contractor attributes to the issue as soon as possible but in any event by the end of the Initial Response time for the severity level originally designated for the incident. The parties shall work in good faith to agree upon the appropriate severity level provided that such determination shall not unreasonably delay the implementation of a solution to the issue.

Support Service Response Requirements

The contractor shall record help desk activities and provide a monthly report. In addition the contractor shall provide access to the system(s) that support helpdesk operations, or equivalent information, to Designated Representatives upon request.

Severity Table – Incident Resolution Times

The scope of Incident Management includes any event that disrupts, or could disrupt, a Service Capability. This includes events that are communicated by users, as well as incidents detected and reported by technical

staff or monitoring tools. Incident models can help ensure that standard approaches are followed and timescales are met - for example, for managing security incidents, or using well-defined solutions for common types of incidents.

Severity Level	Title	Description	Initial Response	Incident Categorization	Incident Resolution
1	Critical	Production system is halted and/or data has been corrupted. If there is no reasonable work-around available, a patch may be produced. When an acceptable workaround is provided the incident shall be downgraded to a lower priority.	Normal Business Hours: 05m Outside of Normal Business Hours: 20m	1h	If Workaround is available in 4 hours or less, incident closes and problem is opened to evaluate.
2	High	Incidents render a feature inoperable without a work-around. They do not cause the production system to be inoperative, but they disrupt the normal business operations.	Normal Business Hours: 15 m Outside of Normal Business Hours: 2h	2h	If Workaround is available in 8 hours or less incident closes and problem is opened to evaluate.
3	Medium	Incidents render a feature inoperable with acceptable work around to be used on an interim basis until incident addressed with a more effective work around and/or fix.	Normal Business Hours: 20 m Outside of Normal Business Hours: 4h	12h	If the incident cannot be resolved in 24 hours, it leads to a problem. The incident is closed and a problem is opened to evaluate further.

4	Low	Incidents have little impact on the business and application including questions not answered in the contractor documentation and documentation errors. Incidents may be addressed in a future release.	Normal Business Hours: 30 m Outside of Normal Business Hours: 8h	24h	If the incident cannot be resolved with a bug fix or patch in the next release, it leads to a problem. The incident is closed and a problem is opened to evaluate further.
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Severity Table – Problem Resolution Times

The scope of Problem Management includes diagnosing causes of Incidents, determining the resolution and ensuring that this is implemented. Problem Management uses the same tools as Incident Management, and similar categorization, impact and severity levels. Problem models can be used to help ensure consistent handling of similar types of Problem. Reactive Problem Management is part of Service Operation; proactive Problem Management is the activity in Continual Service Improvement that identifies Problems based on analysis of Incident data.

Severity Level	Description	Problem Resolution Time		
		Root-Cause Analysis	Root-Cause Report	Problem Remediation Plan
1 - Critical	Production system is halted and/or data has been corrupted and a workaround is available. An emergency hotfix or patch must be produced.	24h	36h	48h
2 - High	Problem renders a feature inoperable and a workaround is available. Production system is operative, but there may be disruptions in normal business operations.	36h	48h	72h
3 - Medium	Problem renders a feature inoperable and no workaround is available.	14d	5d	15d
4 - Low	Problem has little impact on the business and application including questions not answered in the contractor documentation and documentation errors. Problem may be addressed in a future release.	4m	5m	6m

See below for Resolution Step definitions:

Problem Resolution Step	Title
A – Categorization	Acknowledgement the problem has been logged Provides reassurance that the problem is going to be dealt with Adopt incident severity initially
B – Root Cause Analysis	Incident management may have resulted in a temporary fix Problem management works out the root cause This is an operational level agreement (OLA) about identifying and not resolving the root cause The outcome that is being measured by the OLA is going to be the production of a deliverable · Policy will determine what that deliverable might contain The OLA measures the time between the formal closure of the incident and the formal delivery of the root cause analysis Re-evaluate severity (increase or decrease)
C – Root Cause Report	This OLA ensures that a formal document is delivered in a timely fashion The document describes the timeline of events that caused the problem and actions taken to provide a workaround It lists all of the actions and recommendations with identified owners and realistic dates in order to fix the problem
D – Remediation Plan	The root cause analysis identifies actions that need to affect a permanent fix to the original issue All resolutions will not be equal in complexity, effort and duration There will be an initial estimation of a target date for live implementation of a permanent fix Moving the target completion date is allowed, however this OLA limits how often this can occur

Failure to Meet Performance Requirements

Contractor's failure to satisfy performance standards or requirements set forth herein may result in a chargeback in the amount as articulated below and/or a default under the contract. The State's determination of the amount is final and binding. The chargeback shall be paid to the State in the form of a credit against the contractor's invoice submitted to the State immediately following the month in which the contractor failed to satisfy the standard or requirement.

1. Failure to meet Incident or Problem Resolution Times as listed in the above sections respectively, shall result in a credit to the State per incident based on the following scale: Critical = \$500; High = \$400; Medium = \$300; and Low = \$200.
2. Failure to provide Incident or Problem Resolution for any incident or problem beyond thirty days of the listed resolution times in the above sections shall result in a credit to the State, based on the following scale: Critical = \$250; High = \$200; Medium = \$150; and Low = \$100 which will be imposed per incident for each month until such issue is resolved to the satisfaction of the State.
3. Failure to provide customer service support during the Normal Business Hours as defined in this section shall result in a \$50 credit per hour to the State for the first eight (8) hours per month and \$100 credit per hour thereafter for every hour after that per month.
4. Failure to resume operation after scheduled maintenance hours as defined in this document shall result in a \$100 credit per hour to the State for the first 24 hours and \$200 credit per hour, thereafter.
5. Failure to ensure that all contractor, state, and other stakeholder elements of the production environment are operational and available without interruption 24 hours a day, seven days a week, except for the scheduled maintenance hours defined in in this document, shall result in a \$100 credit per hour to the State for the first 24 hours and \$200 credit per hour, thereafter.
6. Failure to maintain sufficient network bandwidth to support concurrent multiple users shall result in a \$50 credit per hour to the State for the first eight (8) hours per month and \$100 credit per hour thereafter for every hour after that per month, or any portion thereof, that response time does not meet the times designated.
7. Failure to implement the approved disaster recovery plan, as defined in the Hosting Requirements of this document, by the agreed upon implementation date shall result in a \$500 credit per day credit to the State.
8. Failure to implement the approved disaster recovery plan, as defined in the Hosting Solution Requirements of this document, by the agreed upon implementation date shall result in a \$500 credit per day credit to the State.

Data Migration Into Solution

Contractor will assist the State Division of Information Technology to migrate data from the legacy system (based on Microsoft SQL Server) into the new platform.

Required data components include but are not limited to data regarding: patients, caregivers, physicians, compassion centers, and payments. The final decision on the scope of migrated data elements to be decided in the course of the agile development process.

Where necessary, contractor may be called upon to validate certain data elements, such as verifying that migrated addresses conform to the proper USPS postal code, etc.

The Contractor will clearly delineate which aspects of Extraction, Transformation, and Loading (ETL) will be performed by State resources and which will be performed by contractor staff.

Data Redundancy Policy

Contractor must have a defined policy in place in the event of catastrophic data loss.

Comprehensive Security Strategy

All software and processes related to the solution must comply with all applicable federal and Rhode Island laws and regulations, including but not limited to security and privacy requirements of HIPAA and HITECH and their implementing regulations., R.I. Gen. Laws Section 21-28.6-1 *et seq.*, “The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act,” R.I. Gen. Laws Section 2-28.6-1 *et seq.*, and R.I. Gen. Laws Section 11-49.3-1, *et seq.*, “Rhode Island Identity Theft Act of 2015,” and applicable DoIT Policies (<http://www.doit.ri.gov/admin/itp/index.php>). The contractor, and any associated subcontractors,

may be required to have all employees with access to the Solution data center or data to sign a data confidentiality statement attesting that they will keep any Solution information viewed during the course of their employment, private and safe.

The solutions and processes developed must comply with or exceed all State technology policies and standards. A risk assessment and risk management plan for the proposed solutions must be included in the proposal and should follow an industry-standard format, such as those developed by the US National Institute of Standards and Technology (NIST).

The contractor will be expected to perform risk assessments including 3rd-party penetration testing at least annually and prior to any proposed significant updates. The contractor shall review risk management efforts with the DoIT Information Security Officer (CISO) or designee at least monthly.

Where technically feasible, security solutions such as auditing; logging and continuous monitoring; and authentication systems should integrate with existing State solutions. Where the proposed solution does not or cannot leverage existing State solutions, the proposal must clearly indicate this limitation, its cause and the alternate solution. Alternate solutions will be expected to exceed the overall security of the available State solution.

In the event of a security breach, the contractor must follow the procedures outlined as part of DoIT Incident Handling and Response policy. Any costs associated with the resolution of such security breach including, but not limited to, a forensic audit acceptable to the State, call centers, penalties, credit monitoring and insurance, and all notifications that must be issued as required by law, and shall be paid by and are the responsibility of the contractor.

Data Encryption

The State expects that all interactions with the solution will be transmitted securely, either via the HTTPS protocol or, in the case of secure file transfers, SFTP, using at least 2048-bit encryption.

Data not in-flight during a transaction but stored for future access should be encrypted at rest at the highest-feasible encryption level, with a minimum of 128-bit encryption required as per the Rhode Island Identity Theft Act of 2015.

All other encryption-related aspects of the solution must conform with DoIT Policy.

Data Stratification

The Contractor will identify data elements required by the system and provided a detailed breakdown of their categorization per DoIT categorization standards for confidentiality and availability outlined here: <http://www.doit.ri.gov/documents/policies/Operations/05-02%20Data%20Categorization.pdf>.

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SOURCE CODE ESCROW

The State **may** require contractor to establish an escrow account in form acceptable to the State. The escrow agent chosen for this transaction must be acceptable to the State.

If required, the escrow account must contain the following items:

- Two copies of the source code (preferably commented code) including all listing of the lines of programming and any custom developed code for the solution for each version of the software on virus-free magnetic media, compiled and ready to be read by a computer
- A complete copy of the executable code including table structures, data structures, system tables and data
- A golden master of the software

- Build scripts
- Any configuration files separate from the build scripts
- Object libraries
- Application Program Interfaces (APIs)
- Compilation instructions in written format or recorded on video format
- Complete documentation on all aspects of the solution including design documentation, technical documentation and user documentation
- Names and addresses of key technical employees that a licensee may hire as a subcontractor in the event the contractor ceases to exist.

The escrow deposit materials must be shipped to the escrow agent via a traceable courier or electronically. Upon receipt of the materials, the escrow agent must verify that the contents of the deposit are in good working order and certify the same to the State.

The escrow agency must store the materials in a media vault with climate control and a gas-based fire extinguishing solution.

Each time the contractor makes a new release or updated version of the software available to customers, that version must be deposited with the escrow agent and proof of the deposit must be forwarded to the State.

In the event that contractor becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court, or if the contractor fails to provide maintenance and/or support for the product as outlined in the contract, or the contractor discontinues the product, the State will be entitled to access the software source code and related items for use in maintaining the solution either by its own staff or by a third party.

Any costs associated with an escrow account must be included in a separate attachment.

PROJECT STAFF

Overall Experience

The Contractor shall assign to perform this task order those persons whose résumés are submitted with its quotation and who are identified in the contractor's quotation as "Key Personnel". All contractor employees assigned to perform this task order will be Key Personnel.

If an individual proposed as Key Personnel becomes unavailable during the course of the source selection process, the offeror will notify the State's contracting officer immediately and provide a substitute and their résumé. The proposal of any Key Personnel not currently employed by the Offeror shall be accompanied by letters of intent signed by the proposed Key Personnel indicating their intent to be employed by the offeror team if the Offeror is awarded a task order under this RFP.

The contractor agrees that during the duration of the task order performance, no Key Personnel substitutions will be made unless necessitated by an individual's sudden illness, death, or termination of employment. In any of these events, the contractor shall promptly notify the State and provide the information required by paragraph (e) below on the proposed replacement for State approval. No substitutions of Key Personnel shall be made except in accordance with this provision.

All requests for substitutions/additions of Key Personnel must include a detailed explanation of the circumstances necessitating the proposed substitution or addition, a complete résumé for the proposed substitute or addition including skills, experience, education, training, and security level. As determined by

the State, all proposed substitutes/additions must have qualifications that meet or exceed the qualifications of the person to be replaced.

The State's contracting officer or his/her COR will evaluate the request(s) for substitutions/additions of Key Personnel and the contracting officer will notify the contractor, in writing, of approval or disapproval. Disapproval of the proposed individual(s) shall not provide grounds for nonperformance by the contractor or form the basis of any claim for monies, delivery schedule extension, or any other equitable adjustment. Where applicable the necessary change order will be processed in concert with the Office of Purchases.

At a minimum, a Project Manager must be identified and designated as Key Personnel. The Project Manager will be a direct liaison to the State, and ODE's Project Manager. The Project Manager is responsible for the supervision and management of the contractor's personnel, technical assistance, and interface. Desired skills/experience for the Project Manager include:

- Experience in technical leadership, preferably including:
 - Strong Experience in Agile methodologies.
 - Building high-traffic digital services.
 - Building mobile and web, consumer-facing web applications.
 - Automated testing.
- Ability to rapidly prioritize competing requirements.
- Ability to understand and simplify customer requirements.
- Ability to communicate end user feedback to technical and design leads.
- Strong communication skills.
- Proven knowledge of industry standards.

TRAINING

Overview

Members of DoIT, the Department of Health (DOH), and the Department of Business Regulation (DBR), may require initial orientation training on the Agile Development process. As such, it is expected that this training will occur at the start of the project implementation.

In addition, RIODE, DoIT, DOH, and DBR, as well as representatives from each compassion center will require training for use of the Seed-to-Sale Solution. Training will be ongoing until all compassion centers and all their dispensing facilities are operational during the implementation period. Additional on-site training would be required in the event that additional compassion centers are added in the future.

Agile Training

The contractor will provide orientation training to State members of the project team and stakeholders from the Departments involved on the principles of Agile development methodologies, the tools the contractor will use to track the Agile process.

Solution Training

On-Site

The contractor shall provide on-site training for State and Compassion Center staff.

The contractor shall provide qualified personnel necessary to support Training. This will include a Trainer at a minimum who will possess the following qualifications:

- An expert in the out-of-the-box solution
- Fully conversant with the specific configurations to support the needs of the Rhode Island Medical Marijuana Program

- At least 3 years of training management and delivery experience.

Additional resources may be necessary for administrative support.

Webinar

The contractor shall provide webinar trainings that can accommodate a class that could contain up to 100 individuals. The webinar would include live instruction by way of an audio stream or telephone with the opportunity for questions and answers. This training must include each of the topics as specified in this section, and any other materials identified by the State or the Contractor, that would aid the State and compassion centers in their utilization of this software solution. The schedule for these trainings should be planned in consultation with the State and provided to the State with sufficient notice which will allow for at least 10 business days for coordinating attendance.

Archived Webinar

The contractor shall provide archived webinar training to the State that can be used to help train new State staff and compassion center staff in the future.

Training Topics

Training must include the following topics:

- Software Configuration
- User Administration
- Security Features
- Password Reset Instructions
- Functionality related to the inventory and chain of custody management for the manufacture, transportation, laboratory testing, transport, distribution, recall tracking, dispensing, sale and reporting, including PMP reporting, of medical marijuana
- Reporting Features
- For technical staff, the use of the platform API.

Training Tracking

The contractor shall track training enrollment and completion status for DOH, DBR, compassion center (including dispensing facility) staff as stipulated by the State, and produce daily status reports for the duration of the training.

Training Material

The contractor shall develop and deliver training material in electronic and paper format for classroom training.

Continuous Improvement

The contractor shall incorporate an evaluation mechanism at the end of the training to help with its continuous improvement.

Training Environment

Contractors must provide a separate and distinct solution training environment dedicated for training purposes.

Deliverables

The vendor will be responsible to provide each of the Deliverables set forth in the table below. All deliverables must be reviewed and approved by the Departments.

	Business Deliverables
1	Requirements Management Plan, Requirements Repository and Traceability Matrix (Requirements Management Plan to include any additional functional, capability requirements per DBR/DOH regulations to be promulgated under Article 14)
2	Business Design Plan
3	Configured Software as a Service
4	Role Based User Manuals
5	All hardware/equipment to be included with the Solution such as Surface Pro tablets, other mobility devices, RFID enabled tags [qualifying patient and primary caregiver plant tags] and scanners, unique identifier tags and labels [compassions centers and cultivator plant tags] and printers, smart chip enabled cards and readers (and all warranties received/applicable to such hardware/equipment); and list of point of sale devices that the Solution will be compatible with such as weighing scale, flatbed scanner, cash drawer and receipt printer
	Hosting Deliverables
6	Hosting Services
7	Solution Architecture and Infrastructure Plan
8	Business Continuity and Disaster Recovery Plan
	Security and Privacy Deliverables
9	Information Security, Privacy and Confidentiality Plan
10	Independent Vulnerability Testing Plan
11	Annual Security Risk Assessment
12	Solution Access Reports
	Testing Deliverables
13	User Acceptance Testing Environment
14	Comprehensive Test Plan including Test Data (Unit, Integration, System), Test Results
15	Stress, Regression, Performance Test Plan, Test Results
16	User Acceptance Test Support Plan
	Project Management Deliverables
17	Project Plan which must include:

	Project Scope Statement; Work Breakdown Structure; Project Schedule (Baseline and Ongoing); Project Budget; Quality Assurance Plan; Risk Management Plan; Change Control Process; Issue Management and Escalation Process; Communications Management Process; Organizational Change Management Process; Project Team Development Plan; Project Go-Live and Transition Plan.
18	Status Reports including: Monthly status reports; Project dashboard, frequency to be determined; Daily and weekly briefings during Go-Live and first month on production operations.
19	Operational Readiness Review Plan, Go-Live Contingency Plan
	Training Deliverables
20	Seed to Sale System Training Environment
21	Training Needs Analysis
22	Training Plan
23	Role Based Training Materials
24	Classroom Based Training
25	Webinar Based Training
26	Archived Webinar Based Training for additional training
27	User Acceptance Testing Training
28	Training Material Updates
29	Training Evaluation Results
	Support and Maintenance Deliverables
30	Support and Maintenance Plan

Specific Activities / Tasks

The vendor will be expected to perform all tasks and other activities described in or otherwise required in order to fulfill each of the Requirements set forth in this RFP. The vendor will be responsible to prepare and deliver each of the Deliverables described in this RFP and in the contract to be executed between the State and the successful vendor. The vendor will be responsible to perform all tasks and other activities described in or otherwise contemplated by the Services, Reports and Plans described in the Deliverables.

Contract

The Requirements and Deliverables will be incorporated into the contract to be executed between the State and the successful vendor. Upon selection of a vendor under this RFP, the State and the vendor will use their best and diligent efforts to finalize and enter into the contract no later than October 14, 2016. The contract shall include provisions customary for a procurement of this type and as otherwise contemplated by the terms of this RFP, including, without limitation, the following provisions.

The contract shall include a provision permitting the State to terminate the agreement if funding from state or other sources, as certified by the Budget Office in concert with the Division of Purchases, is not obtained and continued at levels sufficient to allow for purchases of the Solution and Services in the indicated quantity or term. The contract shall include a limitation of damages provision providing that the liability of the vendor for direct damages shall not exceed \$5,000,000, provided, however, that the limitation shall not apply to gross negligence, willful misconduct, copyright, patent and intellectual property protection and indemnification, death or bodily injury; and further that vendor shall not be liable for special, incidental, punitive, indirect or consequential damages, provided, however, that the limitation shall not apply to: (i) gross negligence, willful misconduct, copyright, patent and intellectual property protection and indemnification, death or bodily injury; or, (2) data loss, data recreation, data breach, or confidentiality breach, but such damages shall not exceed \$5,000,000.

The contract shall include a provision requiring the awarded vendor to procure and maintain, at vendor's expense during the entire term of the contract, the insurance coverages described on Exhibit A attached hereto and incorporated herein by reference. Work on the contract will not begin until after the awarded vendor has submitted acceptable evidence of the required insurance coverages and the Division of Purchases has issued a Notice of Contract Award. Failure to maintain any required insurance coverage or acceptable alternative method of insurance will be deemed a breach of contract.

The contract shall also provide that all Solution data shall be owned by the State. Vendor shall provide the State upon written request, termination or expiration of the contract, all said data in accordance with accepted and reasonable industry-wide standards, non-proprietary, and easily accessible format requested by the State. Vendor will also provide the State all information about record relationships and data base schema necessary for the State to reasonably use the returned data. The contract may also require the vendor to establish an escrow account acceptable to the State., including material and periodic updates.

The contract shall contain a fee schedule outlining the payments to be made by the State on certain agreed dates following vendor's delivery and the State's acceptance of certain of the Deliverables. The fee schedule shall include a ten percent (10%) retainage to be paid upon completion of the project.

This subsection contains a summary of certain terms of the contract to be entered into between the State and the successful vendor. It is not intended and should not be construed as a comprehensive summary of all materials terms. If a vendor has any exceptions and/or assumptions as to any of the contract terms described in this subsection, the vendor must identify in detail its exceptions and/or assumptions in an

attachment to its response. In order for any exceptions and/or assumptions to be considered, they must be documented in an attachment to a vendor's response. The State will not accept additional exceptions and/or assumptions to these terms if submitted after the proposal date.

SECTION 4: TECHNICAL PROPOSAL

This section prescribes the format and content of the bidder's Technical Proposal and is designed to facilitate the submission of a proposal that is easy to understand and evaluate. Failure to adhere to these instructions may result in disqualification of a proposal. For purposes of this section the terms "bidder" and "vendor" may be used interchangeably and the terms "bid", "offer" and "proposal" may be used interchangeably.

The points available for the Technical Proposal are 70 points as described in further detail in Section 6 below.

The separate Technical Proposal should address specifically each of the required elements:

1. **Staff Qualifications** – Provide staff resumes/CV and describe qualifications and experience of key staff who will be involved in this project, including their experience with respect to medical marijuana tracking solutions (including seed to sale and point of sale) and related support services.
2. **Capability, Capacity, and Qualifications of the Offeror** – The bidder must provide a detailed description of the vendor's experience in response to the scope of work provided herein, and as a provider of cloud-hosted medical marijuana tracking (including registration and licensing, seed to sale, and point of sale) and related support services. The bidder must also include an organization chart of the company, which should display the company structure and the organizational placement of the oversight for the Medical Marijuana Tracking and Hemp Growth Act Tracking Solution and Services. Please also include information regarding the date the company was established, a brief history and state(s) in which the company is incorporated, registered and/or licensed to do business. A list of relevant client references must be provided, to include client names, addresses, phone numbers, dates of service and type(s) of service(s) provided.
3. **Project Plan** – Please include a preliminary Project Plan which will serve as the basis for the full Project Plan to be provided by the successful vendor per the list of Deliverables set forth in Section 3 above. The Plan should describe in detail the framework within which the requested Medical Marijuana and Hemp Growth Act Tracking Solution and Services will be developed, implemented and deployed. The Plan must confirm and describe how the vendor will satisfy each of the Deliverables and the Requirements outlined in Section 3, and elsewhere within the RFP. The preliminary Plan may include preliminary versions of specific elements that are required to be in the final Plan as described in the "Deliverables" table under the heading "Project Plan" in Section 3 above, provided, however, that no cost information may be included in the Technical Proposal and provided further that, at a minimum, preliminary versions of the following elements must be included: a) the Project Scope and Project Schedule, b) Risk Management Plan, c) Business Design, d) Information Security, Privacy and Confidentiality Plan, and e) Maintenance and Support Plan.
4. **Approach/Methodology** – Please provide a detailed description of the methodology, approach and processes you will use to ensure that the Requirements and Deliverables are satisfied and the procedures you will employ to ensure accurate and timely performance of all activities, tasks and contract obligations.

No cost information may be included in the Technical Proposal.

SECTION 5: COST PROPOSAL

Detailed Budget and Budget Narrative

The bidder must use the Cost Proposal Form, attached hereto as Exhibit B and incorporated herein by reference, to provide a cost proposal for fees charged for the Solution and Services outlined in this proposal. The proposal must include all costs for the initial 2 year term plus all costs for three 1 year renewal terms. Each bidder must submit a bona fide fixed cost structure utilizing Exhibit B. In addition to the bona fide fixed cost proposal, alternative fee structures which are deemed to be in the best interest of the state may also be considered, however, you must provide an understandable fee structure; include all costs, if any, to the State, and to other Solution users [e.g. compassion centers, cultivators, testing facilities, etc.]; and explain the benefits of an alternative approach. Should alternative structures be submitted the state will evaluate and determine the best approach.

All cost proposals and fee structures, fixed or alternative, must be accompanied by a Budget Narrative explaining how the bidder arrived at the total proposed cost and detailing the expenditure for each service and solution component within the overall cost. The Budget Narrative should also explain the basis and rationale of your fee structure.

SECTION 6: EVALUATION AND SELECTION

Proposals will be reviewed by a Technical Review Committee comprised of staff from state agencies. To advance to the Cost Evaluation phase, the Technical Proposal must receive a minimum of 60 (85.7%) out of a maximum of 70 technical points. Any technical proposals scoring less than 60 points will not have the cost component opened and evaluated. The proposal will be dropped from further consideration.

Proposals scoring 60 technical points or higher will be evaluated for cost and assigned up to a maximum of 30 points in cost category, bringing the potential maximum score to 100 points.

The State reserves the exclusive right to select the individual(s) or firm (vendor) that it deems to be in its best interest to accomplish the project as specified herein; and conversely, reserves the right not to fund any proposal(s).

Proposals will be reviewed and scored based upon the following criteria:

Criteria	Possible Points
Staff Qualifications	5 Points
Capability, Capacity, and Qualifications of the Offeror	20 Points
Quality of the Work plan	25 Points
Suitability of Approach/Methodology	20 Points
Total Possible Technical Points	70 Points
Cost calculated as lowest responsive cost proposal divided by (this cost proposal) times 30 points *	30 Points
Total Possible Points	100 Points

*The Low bidder will receive one hundred percent (100%) of the available points for cost. All other bidders will be awarded cost points based upon the following formula:

$$(\text{low bid} / \text{vendors bid}) * \text{available points}$$

For example: If the low bidder (Vendor A) bids \$65,000 and Vendor B bids \$100,000 for monthly cost and service fee and the total points available are Thirty (30), vendor B's cost points are calculated as follows:

$$\$65,000 / \$100,000 * 30 = 19.5$$

Points will be assigned based on the offeror's clear demonstration of his/her abilities to complete the work, apply appropriate methods to complete the work, create innovative solutions and quality of past performance in similar projects.

Applicants may be required to submit additional written information or be asked to make an oral presentation before the technical review committee to clarify statements made in their proposal.

SECTION 7: PROPOSAL SUBMISSION

Questions concerning this solicitation may be e-mailed to the Division of Purchases at david.francis@purchasing.ri.gov no later than the date and time indicated on page one of this solicitation. Please reference **RFP # 7550918** on all correspondence. Questions should be submitted in a Microsoft Word attachment. Answers to questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. If technical assistance is required to download, call the Help Desk at (401) 574-8100.

Offerors are encouraged to submit written questions to the Division of Purchases. **No other contact with State parties will be permitted.** Interested offerors may submit proposals to provide the services covered by this Request on or before the date and time listed on the cover page of this solicitation. Responses received after this date and time, as registered by the official time clock in the reception area of the Division of Purchases will not be considered.

Responses (**an original plus five (5) copies**) should be mailed or hand-delivered in a sealed envelope marked "**RFP 7550918 Medical Marijuana Program and Hemp Growth Act Tracking Solution**" to:

RI Dept. of Administration
Division of Purchases, 2nd floor
One Capitol Hill
Providence, RI 02908-5855

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or those not presented to the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed, to the Division of Purchases will not be considered. The official time clock is in the reception area of the Division of Purchases.

RESPONSE CONTENTS

Responses shall include the following separated by Tabs corresponding to the below paragraph numbers:

1. Table of Contents
2. A Transmittal Letter signed by a duly authorized representative of the bidder, including the bidder's attestation that it meets the Eligibility of Bidders requirements set forth in Section 2 of this RFP.
3. One completed and signed three-page R.I.V.I.P generated bidder certification cover sheet (included in the original copy only) downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
4. One completed and signed W-9 (included in the original copy only) downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
5. **A separate Technical Proposal** describing the qualifications and background of the offeror and experience with and for similar projects, and all information described earlier in this solicitation. As appropriate, please include resumes of key staff that will provide services covered by this request.
6. **A separate, signed and sealed Cost Proposal** using Exhibit A: Cost Proposal Form and a budget narrative reflecting fee structure proposed to complete all of the requirements of this project.
7. In addition to the multiple hard copies of proposals required, Respondents are requested to provide their proposal in **electronic format (CD-Rom, disc, or flash drive)**. Microsoft Word / Excel OR PDF format is preferable. Only 1 electronic copy is requested and it should be placed in the proposal marked "original".

CONCLUDING STATEMENTS

Notwithstanding the above, the State reserves the right not to award this contract or to award on the basis of cost alone, to accept or reject any or all proposals, to request a Best and Final, and to award in its best interest.

Proposals found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further.

The State may, at its sole option, elect to require presentation(s) by offerors clearly in consideration for award.

The State's General Conditions of Purchase contain the specific contract terms, stipulations and affirmations to be utilized for the contract awarded to the RFP. The State's General Conditions of Purchases/General Terms and Conditions can be found at the following URL: <https://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf>.

Exhibit A – Insurance

All Contractors, and Contractors shall require all subcontractors, to procure at their own cost and expense and maintain in full force and effect during the entire term of the Agreement until all of their obligations have been discharged, including any warranty periods or extended reporting periods, against any claims, damages (including costs and attorneys' fees) or causes of action that may arise from or in connection with the performance of the Agreement and the results of the performance of the Agreement, by the Contractor, its agents, representatives, officers, employees, subcontractors or any other entity or person which the Contractor is legally responsible, the following insurance coverages:

Commercial General Liability Insurance: Commercial General Liability Insurance covering bodily injury (including death), broad form property damage, personal and advertising injury liability, independent contractors, products and completed operations and contractual liability. Coverage shall be written on an occurrence basis. A combined single limit of \$1,000,000 per occurrence and aggregate is required.

Auto Liability Insurance: \$1,000,000 combined single limit per occurrence and aggregate is required for bodily injury and property damages for all automobiles used in conjunction with the performance of this Agreement covering all owned, non-owned, or hired vehicles. If a Contractor does not own an automobile, but one is used in the performance of this Agreement, then only hired and non-owned coverage is required. If a vehicle is not used in performance of this Agreement, then automobile coverage is not required.

Workers Compensation and Employers Liability: Statutory coverage as required by the compensation laws of the State of Rhode Island or any applicable state law in which any work related to the Agreement is performed and coverage shall include Employers Liability Insurance with minimum limits of \$100,000 each accident, \$100,000 disease or policy limit, \$100,000 each employee. A Contractor neither eligible for, nor entitled to, Workers' Compensation who is an independent contractor under Rhode Island law must comply with the statutory procedure precluding an independent contractor from bringing a workers' compensation claim against the Insured Parties.

Technology Errors and Omissions Coverage: Technology Errors and Omissions Insurance covering any damages caused by an error, omission or any wrongful acts of contractor, its subcontractors, agents, officers or employees under this Agreement. Coverage to include: product failure, security failure, professional liability including, but not limited to, covering intellectual property infringement, and personal injury if limited or uninsured under commercial general liability insurance. Coverage to be maintained for the term of the Agreement and for a period of three years after the Agreement has ended. Combined single limit per occurrence shall not be less than \$3,000,000. Annual aggregate limit shall not be less than \$3,000,000.

Regulatory Liability, Information Security and Privacy Coverage (a/k/a Network Security and Privacy Liability Insurance): In support of the security requirements of the procurement, Contractor shall obtain and keep in force for the term of the Agreement and for a period of

three years after the Agreement ends liability insurance covering **security and privacy liability (regardless of the media involved) including costs to defend and settle, regulatory proceedings defense including indemnity for payment of fines and penalties, digital asset loss; event breach costs** including but not limited to crisis management (such as forensic investigation, legal fees) and public relations (notification costs, call center operation costs, and credit file monitoring), **network interruption if applicable, cyber extortion and internet media liability if website access may cause privacy violations.** Limits of not less than \$2,000,000 per occurrence.

Fidelity Bond and Crime Insurance: Fidelity Crime and bond insurance to cover dishonest acts that result in a loss to the Insured Parties. The bond or policy shall: (1) be issued with limits of 50% of the Agreement value or based on the amount of money that may be diverted, whichever amount is greater; (2) include coverage for all directors, officers, agents and employees of the Contractor and name the Insured Parties as loss payee; (3) shall include coverage for third party fidelity and name the Insured Parties as loss payee; (4) include coverage for extended theft and mysterious disappearance; (5) shall not contain a condition requiring an arrest and conviction; and, (6) shall be endorsed to provide for computer crime/fund transfer fraud.

The State, its departments, agencies, officers, volunteers, and any other party directed by the State (together the “Insured Parties”) will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the State under this Agreement shall not be limited by the insurance required in this Agreement.

The liability insurance coverages, except for Workers Compensation, shall include the Insured Parties as Additional Insureds but only with respect to the Contractor’s activities under this Agreement. The Contractor shall submit a copy of a policy endorsement or blanket endorsement evidencing the Insured Parties as Additional Insureds.

This insurance shall be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophic form and must be placed with insurers authorized to do business in Rhode Island rated “A-,” class VII or better by A.M. Best Company, Inc, provided any excess policy follows form for coverage. A lesser rating must be approved by the State. The insurance required in this Agreement, through a policy or endorsement shall include:

- A) A Waiver of Subrogation waiving any right to recovery the insurance company may have against the Insured Parties.
- B) A provision that Contractor’s insurance coverage shall be primary as respects to any insurance, self- insurance or self-retention maintained by the Insured Parties and that any insurance, self-insurance or self-retention maintained by the Insured Parties shall be in excess of the Contractor’s insurance and shall not contribute.
- C) Cross-liability/severability of interests for all policies and endorsements;

D) The insolvency or bankruptcy of the insured Contractor shall not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured Contractor from meeting the retention limit under the policy; and,

E) The legal defense provided to the Insured Parties under the policy and any endorsements must be free of any conflicts of interest, even if retention of separate legal counsel for the Insured Parties is necessary.

Any deductible, self-insured retention, or form of self-insurance shall be the sole responsibility of the Contractor and shall be disclosed and acceptable to the State.

There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal without thirty days (30) written notice from the Contractor or its insurer(s) to the Department of Administration, Division of Purchases Attn: Purchasing Agent, One Capitol Hill, Providence, Rhode Island 02908. Any failure to comply with the reporting provisions of this clause shall be grounds for immediate termination of this Agreement.

As evidence of the insurance coverage required by this Agreement, the Contractor shall furnish Certificate(s) of Insurance to The Department of Administration, Purchasing Division before issuance of a Purchase Order by the Division of Purchases. A copy of additional insured wording from the commercial liability insurance policies will be sent along with the insurance certificate. Failure to comply with this provision shall result in rejection of the bid offer. Certificates of Insurance and required endorsements shall thereafter be submitted annually or earlier upon expiration and renewal of any of the policies.

Certificates of Insurance and additional insured endorsements shall be in form and coverage acceptable to the State. All Certificates of Insurance and to the extent possible for endorsements shall reference the State procurement number. Insurance coverage required under the Agreement shall be obtained from insurance companies acceptable to the Department of Administration. State retains the right to demand a certified copy of any required insurance policy, Certificate or endorsement.

The Contractor shall be responsible to obtain and maintain insurance on any real or personal property owned, leased or used by or otherwise in the care, custody or control of Contractor. A waiver of subrogation shall apply in favor of the Insured parties.

This Exhibit G- Insurance shall survive the termination or expiration of the Agreement.

The Purchasing Agent reserves the right to consider and accept alternative forms and plans of insurance or to require additional or more extensive coverage for any individual requirement.

EXHIBIT B - COST PROPOSAL FORM**Table 1 of 2**

Costs to the State	Cost YR1	Cost YR 2	Total Cost of Initial Contract Term (YR1+YR2)	Cost YR 3 (If Applicable)	Cost YR 4	Cost YR 5	Total 5 Year Cost (YR1+YR2+YR3+YR4+YR5)
System development, set-up and implementation costs in order to fulfill the Requirements, Deliverables and obligations under the contract, including Requirements analysis, System design, configuration, integration with other systems, testing, training, go-live and post-go-live support services as outlined in the RFP							
Costs of qualified patient and caregiver hardware (registration cards, RFID plant tags and equipment to on-board them) for the State's current population of approximately 17,000 registrants (assume yearly population growth of 3,000-5,000 registered patients/caregivers for each additional year)							
Added qualified patient and caregiver hardware costs per 1,000 registration cards/RFID plant tags							
Costs for enforcement hardware/equipment for 6 inspectors/law enforcement officials (RFID/card scanners and mobility devices to read information)							
Added hardware/equipment costs per additional inspector/law enforcement official							
Total System and Services costs with proposed payment schedules/structures (assume yearly population growth of 3,000-5,000 registered patients/caregivers for each additional year)							

Proposals should include all costs to the State including payment processing fees. All proposals must be accompanied by a Budget Narrative as instructed in the RFP. In addition to the mandatory fixed fee structure provided in Exhibit B, vendors may include alternative fee schedule proposals in which the cost to the State is offset by per use or per volume fees paid by cultivators and compassion centers; however, you must provide an understandable fee structure and explain the benefits of an alternative approach in the proposal or in the accompanying Budget Narrative.

EXHIBIT B - COST PROPOSAL FORM**Table 2 of 2**

Costs to Other System Users	Cost YR1	Cost YR 2	Total Cost of Initial Contract Term (YR1+YR2)	Cost YR 3	Cost YR 4	Cost YR 5	Total 5 Year Cost (YR1+YR2+YR3+YR4+YR5)
Costs to on-board each licensed compassion center (currently there are 3) for seed-to-sale and point of sale use of the System with proposed payment schedule/structure; this price will also apply to off-board any licensed compassion center that ceases operation							
Costs to on-board each licensed cultivator for seed-to-sale use of the System with proposed payment schedule/structure; this price will also apply to off-board any licensed cultivator that ceases operation							
Costs to on-board a third party testing facility for use of the System with proposed payment schedule/structure; this price will also apply to off-board any testing facility that ceases operation or participation in the Program							

Proposals should include all costs to any other System users (e.g. compassion centers, cultivators, testing facilities, practitioners etc.) including payment processing fees.